

**ODUSD - AR**  
**ACQUISITION REFORM FOCUS GROUP**  
**PERFORMANCE BASED SERVICE CONTRACTING**  
**EXECUTIVE GROUP II**  
**MAY 5, 1997**  
**FINAL REPORT**

**List of Participants**

**14=Thomas E. Bozek**  
**10=Eleanor Spector**  
**13=Michael Paysan**  
**11=Participant 10**  
**2=Patrick J. Meehan, Jr.**  
**6=David K. Anderson**  
**4=Harvey Nathan**  
**7=Donna Richbourg**  
**8=David Steensma**  
**9=Brad Bergmann**  
**5=Lee H. Frame**

MR. DRABKIN (Presiding): Thank you very much for coming this morning. Donna will be here in just a few minutes, and asked me to go ahead and get things started so we wouldn't waste any of your time.

What we've done is we've had a series of these groups with people from the field, both in procurement and in program and in technical positions, and we've had another session with the senior procurement executives from the components.

And we wanted to finish up with a third focus group with the people from OSD who represent all the various principles and the issues associated with them.

The purpose of these groups has been to identify what people think should be the next steps in acquisition reform.

Dr. Kaminsky has already identified four things for us in terms of what he would like for us to focus on; implementation and institutionalization of the changes we've already made, program stability for our major systems, the leveraging of ECEDI as a technology to facilitate acquisition, and then finally looking at service contracts.

That's not a limiter. Those are just the four things that he has identified.

And as we begin to flesh out a plan and have something ready for his successor, we wanted to make sure we took in everybody else's points of view as to what they think acquisition reform ought to be looking at.

Please make sure you understand that when we use acquisition reform in this context, we're not talking about what our office, the Acquisition Reform Office, itself, will do.

In many cases, we may do very little if anything. We want to get all these things laid out. Then we can decide who will lead the effort, who will facilitate the effort, etcetera.

So this morning, we're going to use a facilitator, the computers in front of you, to get our ideas of where acquisition reform ought to be going.

We'll take these ideas and we'll synthesize those with that we got from the field and that which we got from the SPDs, and we'll put together a program which we'll run through the ARSSG, and have ready for the new USDA&T when he or she comes on board.

So without taking any more of your time, I want to thank you very much for taking the time this morning.

I'll be back and join you a little later. I've got to go open a meeting over at the Ritz-Carlton, and then I'll be right back from there.

Thank you.

## GROUP DISCUSSION

MR. BEJARANO: [T]he first tool that we have up here, and it's going to be coming up on your screens here momentarily is what we call the topic commenter.

As you can see here, you have four tabs on the topic commenter. Again, for those of you who have used this tool before, you should be very familiar, but it's basically like a pad with four different subject matters.

So as far as acquisition reform, what we're looking at so far in the cycle, to get your input, your ideas, if you will, on ***what is working; what is not working; what is missing; and what needs to be fixed***,

MR. BEJARANO: What we're going to do now for the next hour and a half or so, however long it takes us, is to basically review all of your input.

What we've done is we've moved the information that you had in your various topics individually into what we call categorizers, which is a similar tool but as you can see, it provides you on the left hand side, all the information that you entered, but then categories on the right, so we can start categorizing this information into, as we call it, the right bucket.

Okay, the first thing we want to do, because these are the actual categories that we have set up for each of the topics, we want the group basically to look at these categories and validate them.

In your opinion, in other words, as a group, would you think that these are the correct categories in which to categorize all the various topics that we have.

PARTICIPANT: They should be more than other. There needs to be a testing one. I saw operational requirements.

MR. BEJARANO: Let's characterize these. That's what we need to do. So we want one that says Operational Requirements, okay.

PARTICIPANT: And one that says Testing.

PARTICIPANT: I think we've got to have one just on IPT. That may not be the right ultimate title but there's a lot of IPT stuff in there.

MR. BEJARANO: We have **Training, Legislation, Logistics, Cost Pricing, Commercial Work Force, IPT, Policy Business Practices, Budget Finance, Operational Requirements, And Testing.**

PARTICIPANT: I think we still ought to have a separate one for IPT.

MR. BEJARANO: A separate one for IPT.

PARTICIPANT: I think I recall seeing a number of organizational issues too. I'm not sure if we should have a separate one for that.

PARTICIPANT: Are those the same for all the four categories?

MR. BEJARANO: For all the four categories, yes.

By the same token, if there's any that you feel strongly enough, as a group, that shouldn't be up here, we can also delete that one, or if we need to modify.

Actually --

PARTICIPANT: Let's see what fits into them.

PARTICIPANT: What about management issues?

MR. BEJARANO: Is that one you think should be up here? Okay.

PARTICIPANT: It covers a lot of things, Eleanor. It might be a good category. Somebody might say it's in policy.

PARTICIPANT: Management/organization. I think they're different than policy.

PARTICIPANT: Let me suggest we take a look at legislation. I don't know how many there were on that, but that would mean one drop or if there's one or two issues on legislation.

PARTICIPANT: I think we ought to just start throwing them in the bins. If we get down to the point where we've got one item in a bin, we may want to decide for a better place to put it.

PARTICIPANT: Or at a bin, or if we come up with one that doesn't fit.

PARTICIPANT: Right.

So I'd appreciate from the group if you'd provide me with your input. If there are any of these that you feel, first of all, are duplicates you want to take care of, so if we have any duplicates that show up among the 26, we'll delete them. One or two, whatever it is.

But secondly, if there are any that you feel, as a group, are really a comment onto a comment or a good idea that should be merged, we have that capability now of merging into major topics for creating like a major topic and merging one or two comments under one or two of these.

## **GROUP VALIDATION OF DATA**

### **WHAT IS WORKING**

#### **Training**

1. The Defense Acquisition Deskbook! This is a major resource of information  
Extremely helpful. Keep adding relevant topics.
2. There is a significant improvement in the awareness of what documentation is  
needed for Milestone reviews.
3. The Ask-a- professor program is doing a real service by involving the DAU in  
the real world. This has been a huge shortcoming in the past.
4. The move to expanding use of electronic media is a plus, e.g., Deskbook,  
training, FACNET.

#### **Legislation**

#### **Logistics**

1. Shift of emphasis to total life cycle cost. Cost of ownership is something we  
pay for the remaining 25-30 years of a programs life.

#### **Cost Pricing**

1. C&P DATA REQUESTS HAS IMPROVED. RECENT REVIEW SHOWS A  
DECREASE IN OVERALL REQUESTS BY FROM 68 PERCENT TO 60  
PERCENT. FOR CONTRACTS UNDER \$500K UNNEEDED REQUESTS  
DECREASED FROM 22% IN 1992 TO 4% IN 1996. CHANGES TO  
DAR/DFAR AND INCREASED TRAINING FOR PRICE ANALYSIS IS  
WORKING
2. Shift of emphasis to total life cycle cost. Cost of ownership is something we  
pay for the remaining 25-30 years of a programs life.

## Commercial Items/Practices

1. Positives: Commercial quality control procedures, commercial administrative practices, commercial management practices, use of more commercial products.

## Workforce - DAWIA

## IT/FACNET

1. FACNET -- Need to implement sooner. This has major potential for greater savings in people-time and delivery.
2. ITMRA eliminated GSBCA. Major improvement as evidenced by reduced protests.

## Policy/Business Practices

1. Shift of emphasis to total life cycle cost. Cost of ownership is something we pay for the remaining 25-30 years of a programs life.
2. We are challenging our way of doing business
3. Expand single process initiatives.
4. Changes to the procurement system have been helpful, especially raising the small purchase threshold, facilitating purchasing commercial items, repealing the Brooks Act for ADP, and making it easier not to require cost or pricing data.
5. The momentum of Acq Reform is improving the Acquisition Process. Keep moving forward.
6. Raising small purchase and credit card limits will save time and people costs.
7. Award of a contract for an automated Standard Procurement System.

## Budget/Finance

## Operational Requirements

## Testing

1. The operational test community is actively working to support the acquisition process and be perceived as adding value to the development of a new system. By providing early assessments in a manner that does not threaten a program, the OTers have been able to identify problems early when it is less costly to fix. It is very important for these early assessments not to be used as a hammer by organizations outside the program office, but to be used for maturing the system earlier and feeding operational insight into the design.
2. With the exception of the Air Force, the Services have begun to broaden what they will include in operational test programs. The use of training, exercise, DT and contractor data to resolve operational test issues is gaining wider acceptance when it is appropriate and the tester is comfortable that the data is credible.

## IPT

1. 1. IPT Process - Even Though there are numerous meetings, the process allows problem to be ironed-out early in the process.
2. IPTs are working effectively in some cases. Not all are being run by the rules of the road with agendas and minutes, but those that are, are getting things done.
3. IPTs seem to be raising issues earlier but there is atendency to have too many meeting with poor agendas.

## Management Issues



## **WHAT IS NOT WORKING**

### **Training**

1. Cost as an independent variable is being used, but guidance is still not getting down to the working level. CAIV continues to be very confusing and is not evenly applied
2. Adequate training in new acq reform philosophies
3. The worker bee is not getting the message on CAIV and IPT training.
4. Need to speed-up delivery of the training material being developed by DAU. Get to the field for testing and modification.
5. Need to ensure training is consistent across the board for Requirements Generation and Program Management, as well as develop "purple" training for topics not covered by the Services or agencies.

### **Legislation**

### **Logistics**

### **Cost Pricing**

### **Commercial Items/Practices**

1. Reluctance of personnel to use COTS/common business practices.

### **Workforce - DAWIA**

### **Policy/Business Practices**

1. Performance based contracting in environmental cleanup.

2. OTHER TRANSACTIONS. LACK OF GOOD GUIDANCE AND OVERSIGHT IS A PROBLEM . PROBLEMS INCLUDE :-NO DOCUMENTATION OF CONTRIBUTION COST ANALYSIS;  
  
-NO DETERMINATIONS OF VALUE OF CONTRIBUTION ANALYSIS ;  
-OVERPAID AT PROGRESS MILESTONES ;  
  
-LACK OF GOOD ACCESS TO RECORDS CLAUSE;  
  
-LACK OF FINANCIAL CONTROLS;  
  
-UNACCEPTABLE DETERMINATIONS AND FINDINGS.  
  
-THIS IS A GOOD TOOL BUT WITHOUT IMPROVED GUIDANCE AND OVERSIGHT IT THE EXPANSION OF THIS TO MILDEPS CAN LEAD TO PROBLEMS.
3. Modeling and simulation in non-weapons systems areas. For example  
environment, training, etc  
  
Environment security
4. Disposal process needs improvement. However, the process needs to start with acquisition and identification of items and production tools that are of critical military value. at present DLA tries to identify items and production equipment that is of critical military value at the end of acquisition cycle when there is no one left in program offices to make decisions on criticality of items and production equipment and no funds left for demil of items. Acquisition needs to partner with DLA on this and this may require acquisition programs spending some funds up front to help identification of critical military items and production equipment. a few countries in far east are largest purchasers of production equipment at auctions when a production line closes. Dr. K suggested a DSB task force on this issue.

5. Other Transactions at DARPA are not only not following any rules but sometimes aren't using common sense and are not preserving the buyer's interests.

## Budget / Finance

1. Financial accounting in major program areas. Impinges on managerial control, and prevents adequate response to Congressional inquiries.
2. Two accounting systems are redundant and add little value. Use more commercial practices.

## Operational Requirements

1. Joint operational requirements drafting, review, and approval process needs to be examined to utilize the IPT concept to streamline the sequential process
2. From a test perspective, system requirements still require improvement.  
There is tendency to spell out technical requirements rather than what is needed from a mission perspective. We have several cases where the requirements are set so high that achieving them will be next to impossible. I understand the desire to challenge the contractor to get the best possible capability, but I'm afraid that we will either set ourselves up for failure, or will end up spending a lot of resources for the last 10%, or even 40%. We need to do a better job of laying out the requirement in a mission context and setting thresholds that represent the minimum acceptable from a user perspective.

## Testing

### IPT

1. Some programs have too many IPTs making it difficult for smaller offices to attend all of the meetings.
2. Some IPTs are simply too large for any kind of useful dialogue.

3. There is a large difference between Services as to how well the IPT process works. The Air force tends to be very combative.
4. Most IPT agendas still try to avoid resolving issues at the lowest possibly level. The word "issue" seldom appears on the agenda.
5. A.F. led WIPTs still don't have the concept of building the program and strategy with the whole team. They often see the WIPT as the "Pentagon" folks that will coordinate on what the A.F. has done instead of using the collective expertise to strategize and structure from the beginning. A.F. is not really "bought in" to the WIPT/OIPT concept.

## Management Issues

1. Reform for reform sake is counter productive. we need to be more focused and be clear who is responsible.
2. CAIV continues to be very confusing and is not evenly applied.
3. The A.R. office is not perceived as being team players. It sometimes seems that if you don't agree with the approach you are branded as anti reform. Is this in a particular area or overall? not overall but in enough areas that merit thought.
4. Non-ACAT I programs are having processing and reviews problems, even though, the 5000 series applies to all size acquisitions.
5. Joint operational requirements drafting, review, and approval process needs to be examined to utilize the IPT concept to streamline the sequential process
6. Commercial item definition and its use to buy spares is running into problems because some contractors are using it as a means to raise prices by 300 to 500 percent. This is being caused by poor implementation and dod needs to address area before congress hears about problems and tries to

changedefinition of a commercial item again. Who should take the lead  
???

## **WHAT IS MISSING**

### **Training**

1. DoD-approved training opportunities for industry people; they need to go through the same cultural change as DoD's employees -- but most training available to them is taught by charlatans
2. Opportunity for non-acq workforce DoD personnel [who are responsible for implementing aspects of AR] to attend topic-specific, AR-related [i.e., non-career-development] DAU-offered courses
3. Distance learning (computer based education) for the larger workforce as well as DAWIA. The classroom as the only way is obsolete. There needs to be a combination of instruction/learning that is more effective and efficient (ie. more timely and less costly)

### **Legislation**

### **Logistics**

1. We need to focus on improving logistics management in the Department.

### **Cost Pricing**

### **Commercial Items/Practices**

### **Workforce - DAWIA**

1. A clearer definition of the Acquisition Workforce. Present interpretation is too broad.

### **IT/FACNET**

## Policy/Business Practices

1. Outcome-based performance measures for acq. reform rather than management by anecdote. Need to have services and DLA use existing/identified performance measures and tell osd what is working, how well or bad and whether metric is any good.
2. Synchronize purchasing quantities more closely with commercial economic ordering quantities. Stop the typical stop-and-start of production lines because funding is stretched-out or funds are not available because the budget isn't signed (beware of e.g., Anti-Deficiency Act, etc.)
3. Need to program funds to better engineer reliability into a product up-front. Cheap fly-away costs will cost you over the next 25-30 years.

## Budget/Finance

1. Continuing dedicated funding to implement mil spec reform
2. Press for more implementation of accepted commercial accounting procedures. Government accounting systems are redundant and cumbersome.
3. Addressing program stability from the perspective of: 1. Multi-year funding to take advantage of economic ordering quantities, and 2. Trying to fund contingencies from a separate fund vs. "robbing" procurement or O&M accounts.
4. Contingency funding to avert using modernization funds to payment for unexpected events.
5. A cost accounting system that provides total life cycle visibility (activity based accounting) in order to drive down total ownership cost





## **IPTs**

1. Certain organizations are still not playing as effective team members on WIPTs (need emphasis on comptroller, PA&E, some OT members) - can't make this process work without all players really playing when they should play. Do we have too many IPTs for effective operations? Will they participate more if they felt it would not consume all their time?
2. There is no clear tie-in between the acquisition process and the budget process. Comptroller rep to most OIPTs is generally raising issues at the last moment that go way beyond the discussion at WIPTs. Are the service comptrollers participating at WIPTs? we should have a better coordination between service and OSD comptroller offices.

## **Operational Requirements**

1. Why isn't the DAB represented on the JROC?

## **Management Issues**

1. We need to have a means of assessing the key issues on which to expend our resources
2. Greater interaction between A-76 community and acq reform advocates
3. The Comptroller seems to ignore the reform effort.
4. Recognition by DoD's leadership that the vast majority of DoD's suppliers are small to mid-sized firms that aren't in favor of milspec reform, won't be covered by an SPI, will never be part of an IPT
5. A small oversight group to determine those key reform efforts to be attacked. let every else concentrate on their primary job.

6. NEED TO CREATE PARTNERSHIPS BETWEEN THE SMALLER DEFENSE AGENCIES AND MILDEPS/DLA/BMDO. THE SMALLER AGENCIES DO NOT HAVE RESOURCES TO DEVOTE TO AR AND TRAINING AND PARTNERSHIPPING WOULD HELP THEM FULLY BENEFIT FROM ACQUISITION REFORM.
7. A clearer definition of the role of the a.r. office in the department ; their authority,responsibility and function.
8. Effective interface between the "international affairs" community and the Acq Reform community [both at OSD and Service HQ level] -- currently IA community believes that "international" goals supercede Acq Reform objectives
9. There is no clear tie-in between the acquisition process and the budget process. Comptroller rep to most OIPTs is generally raising issues at the last moment that go way beyond the discussion at WIPTs.Are the service comptrollers participating at WIPTs? we should have a better coordination between service and OSD comptroller offices.
10. Why isn't the DAB represented on the JROC?
11. Why is Air Force acquisition out of step ? They seem to marching to a different drummer.Maybe they think they can get the leader to change the song without telling the rest of the band!

## Testing

1. More emphasis is needed on simulation based testing when practical vs. live fire demonstration.

## WHAT NEEDS TO BE FIXED

### Training

1. Dau/DAWIA funding priorities -- at least 50% should be for "re-blueing" training
2. The Services don't seem that enthusiastic about the Deskbook. Why?
3. The Deskbook needs to be expanded to include more examples (e.g. APB, CAIV, exit criteria, etc)
4. TRAINING IS ARE MOST IMPORTANT NEED. WHATEVER HAPPENED TO INITIATIVE TO GET PEOPLE AT THE WORKING LEVEL ACCESS TO CD-ROMS AND THE INTERNET.

### Legislation

1. Congress continues to give DoD very conflicting guidance. They complain about high risk strategies and still want us to cut our acq cycle time in half.
2. Disconnect between what's allowed/encouraged due to FASA/FARA and the provisions of Chapter 146; e.g., lowest price, not "best value" must be used when considering outsourcing DoD activities

### Logistics

### Cost Pricing

### Items/Practices

### Workforce - DAWIA

1. DAWIA procedures need to be simplified. Need to improve awareness of DAWIA requirements between personnel offices and local administrative

offices. Has DAWIA improved anything for the Department or is it just an administrative burden?

## IT/FACNET

### Policy/Business Practice

1. We still have huge problems in the interface of acquisition with the requirements process and the budget process. Doesn't do much good to streamline acq without addressing JCS and Comptroller impact.
2. SECURITY FOR SPECIAL ACCESS PROGRAMS NEEDS REFORM.  
MULTIPLE ADMINISTRATIVE PROBLEMS THAT ARE INCREASING  
DOD COSTS UNECESSARILY.
3. NEED DFAS AND ACQUISITION PARTNERSHIP ON BILL PAYING AND  
OBLIGATIONS FOR CONTRACTS. THIS AREA HAS NOT HARDLY  
STARTED MOVING INTO EDI AND THIS PAPERBOUND PROCESS  
WITH NUMEROUS ERRORS OCCURRING IS COSTING US A LOT OF  
MONEY
4. While we are trying to simplify procurement rules, several new contracting rules implementing complex social programs (post-Adarand coverage, Empowerment contracting, labor union interest items) have been directed into the FAR.
5. More attention to life cycle costs.  
  
Pay for early better-design engineering to help reduce life cycle costs of systems operation/maintenance.
6. Develop a sharing system to encourage Services and agencies to acquire system more efficiently. The only incentive now is negative, e.g., cut someone's budget for the next year.

7. NEED ACQUISITION/LOGISTICS PARTNERSHIP ON AR AND LIFECYCLE COSTS.

- TRANSPORTATION NEEDS HELP SINCE INDUSTRY THEY DEAL WITH WANTS LITTLE IF ANY REFORM AND FIGHTS CHANGE TO A PAPERWORK BOUND INEFFICIENT PROCESS.
- ARE PROGRAM MANAGERS MAKING DECISIONS TO REDUCE ACQUISITION COSTS THAT LATER INCREASE LOGISTICS COSTS. HAPPENED IN THE PAST(e.g. ELIMINATED CROSSION CONTROL/RUSTPROOFING FOR VEHICLES AND NOW IT IS COSTING BIG \$\$\$ DUE TO INCREASED CORROSION).
- INCREASED USE OF COMMERCIAL ITEMS IN SYSTEMS IS GOOD . HOWEVER , OVER THE LIFECYCLE OF THE SYSTEMS AND CONSTANT CHANGING OF COMMERCIAL ITEMS ; HOW WILL OUR LOGISTICS SYSTEM AND COMMERCIAL MARKETPLACE BE ABLE TO SUPPORT THE YSYSTEMS IN TIMES OF HOSTILITY. LOGISTICS DOES NOT HAVE EXTENSIVE EXPERIENCE SUPPORTING MULTIPLE COMMERCIAL ITEMS.

8. Improve/Expand international cooperative opportunities to help reduce development costs.

9. Attention to performance based service contracting area

10. Although modelling and simulation has the potential to significantly to enhance T&E, its biggest contribution potential is in improving the development process and timing. With good modelling, instead of waiting days or weeks between test events, the events can be run in simulation in hour or days. However, good modelling and simulation require a significant up-front investment. Programs need to budget for this

investment, and the money people need to recognize that this is an important part of a program.

## **Budget/Finance**

1. Accounting Classification Reference Numbers (ACRNs) must be reduced to a minimum and process for standardizing their assignment must be developed. Reduction of ACRNs should be regardless of appropriation.
2. Contingency funding

## **IPT**

1. The IPT process is being used in developing requirements and is helping to speed this process. However, the requirement documents still have to go through a long tortuous process to get approved. The users need to empower their IPT representatives and streamline the document process.

## **Management Issues**

1. We still have huge problems in the interface of acquisition with the requirements process and the budget process. Doesn't do much good to streamline acq without addressing JCS and Comptroller impact.
2. Air Force acquisition management displays an arrogance unlike the other two services.
3. AF frequently goes around program IPT process and operates as a Lone Ranger.
4. We need to better focus a.r.efforts so we know where we want to go before we begin the trip.
5. AR needs to stop asking how well reform is working and give some initiatives time to work.

6. There is no precise method of tracking savings from Acq Reform initiatives.

If you project a savings, the money-people will grab it. We know deep down savings can be realized. But we should be careful not to overstate the case for savings.!

AR takes credit for savings resulting from competition, MYP, and initial budget overestimation.

7. WE HAVE NOT WORKED ON IMPROVING UNDEFINITTIZED CONTRACTUAL ACTIONS. LITTLE OR NO IMPROVEMENT SINCE 1992. RECENT REVIEW SHOWS LACK OF GOOD JUSTIFICATIONS, CONTRACTING OFFICERS ARE NOT MEETING TIMEFRAMES FOR DEFINITIZATION, AND EXCESSIVE PROFIT NOT COMMENSURATE WITH RISK ARE STILL OCCURRING.

8. DD FORM 250 , NO ONE IN CHARGE OF FORM, MULTIPLE SIGNATURES AND MULTIPLE PARTS REQUIRED, NO ONE WORKING ON ELECTRONIC FORM OR TRANSMITTAL . COULD BE ADDRESSED BY LOGISTICS/ACQUISITION/ COMPTROLLER WORKING GROUP.

9. Too many OSD offices issue mandatory policy with inadequate coordination .

10. Enforce true "empowerment". In many instances, it seems people are empowered once they get the O.K. from their boss or boss's boss. do you see empowerment having any limits??

11. Do the Services have any rigor in their management of ACATII /III programs?

12. Processing problems seem to be more prevalent on lower ACAT programs because they don't get the oversight of major systems.



13. Space Systems should be reincorporated into S&TS. ATDs should be reincorporated into DDR&E. We have too many front offices using up billets.
14. Kaminski has too many offices reporting to him consequently he is spread so thin that many efforts are only a veneer.
15. In an era of downsizing, when acquisition reform has largely been embraced enthusiastically by the workforce, a separate AR organization is redundant.

## Testing

1. There is a long range problem with the test infrastructure. As our weapon systems move into new technologies, often the capability to adequately test those technologies does not exist. This is more of a problem for the developer/PM since he needs those test capabilities to develop his system.
2. The operational test community needs to be able to use major training and exercise events to look at large scale operations. Most programs cannot afford to fund the scale of operations that are necessary to properly evaluate many of these new weapon systems especially those involving C3I. The operational and training communities have been reluctant to allow the test community access to these operations. While test objectives should not interfere with the operator's objectives for these operations, the collection of data for test purposes usually is more substantial than that required for training or exercises. The test community can bring some value to the operators by giving them a better assessment of what occurred during the operation. This cultural shift is essential if the Department is to achieve the kind of savings we are going to need in the future.

3. Although modelling and simulation has the potential to significantly to enhance T&E, its biggest contribution potential is in improving the development process and timing. With good modelling, instead of waiting days or weeks between test events, the events can be run in simulation in hour or days. However, good modelling and simulation require a significant up-front investment. Programs need to budget for this investment, and the money people need to recognize that this is an important part of a program.

## Operational Requirements

1. Need better linkage of management processes -- integrated requirements, resource allocation, investment and acquisition management, and evaluation of program outcome impact on the missions the programs were intended to benefit/support. Agree, because to often requirements end up being just a multiplier of how many platforms will use weapon and this is not related to other systems that can/will defeat threat threat . we end up with too many systems attacking same threat because PM and Service are protecting their piece of funding pie.
2. The joint operational requirements process needs reform

MR. BEJARANO: Okay, any other comments that we're missing now that we're looking at the overall topics that we would like to edit before we close it out?

MR. DRABKIN: Thank you very much for coming this morning.

What we're going to do, as I told you, is we'll take your information, edit the information we've received from two other focus groups, and we will display it as what it is, the opinion of at least one or more members of the focus group about what should be done.

We'll look for commonalties between the three focus groups, we'll come up with a proposal which we'll share with the US D&T after we have gone to the ARSSG, in which you all have representation, for some final comment. We won't be looking for coordination, we'll just be looking for folks to point out something they think is flat wrong and shouldn't be included.

I appreciate your time. I know you've got to get back to work.

MR. BEJARANO: Thank you very much on behalf of our group. We really enjoyed working with you, and appreciate your help.